BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

UNITED STATES POSTAL SERVICE OBJECTION TO INTERROGATORIES OCA/USPS-T22-20(b), (e) (partial), (g) (September 22, 1997)

The United States Postal Service hereby objects to interrogatories OCA/USPS-T22-20(b) and (g) and to interrogatory 20(e) in part.

Interrogatory OCA/USPS-T22-20(b) asks witness Treworgy to provide additional information relating to his development of the captial and program costs for the scanner infrastructure program. Because procurement of these materials in ongoing, as explained in a previous objection, the Postal Service cannot at this time reveal the details needed to reply to this interrogatory. Disclosure of information regarding the components of witness Treworgy's cost estimates would seriously compromise the procurement process. This commercially sensitive information is privileged.

Interrogatory OCA/USPS-T22-20(e) asks for any attachments to the document filed in Library Reference H-247. The document did indeed contain an attachment, which showed the cash flow projection for the program. The Postal Service is prepared to file the portions of the documents which relate to the test year and prior years, which relate to the cost estimates in witness Treworgy's testimony, and which can be divulged without any possible effect on the procurement process. Such information will be filed with the answers to this set of interrogatories. To the extent the interrogatory seeks additional information, the Postal Service objects because the information is privileged and/or irrelevant.

Interrogatory OCA/USPS-T22-20(g) asks for all documents relating to return on investment of the proposed delivery confirmation. The document referred to in part (e) is one of those documents and will be provided with redactions as described above. Any other documents which would be responsive to this inquiry are privileged and/or irrelevant. Return on investment is not an issue of concern to the proceedings in this docket. To the extent information used to calculate return on investment is relevant to witness Treworgy's cost estimates in this case and is not privileged, it will be provided in response to part (e).

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Scott L. Reiter

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Scott L. Reiter

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–3083; Fax –5402 September 22, 1997